

GENERAL ANNOUNCEMENT::MINUTES OF ANNUAL GENERAL MEETING HELD ON 20 JULY 2023

Issuer & Securities

Issuer/ Manager

METRO HOLDINGS LTD

Securities

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Submitted By (Co./ Ind. Name)

Tan Ching Chek

Designation

Company Secretary

Description (Please provide a detailed description of the event in the box below)

Please refer to the attached file.

Attachments



[MHL - Mins of AGM - Final.pdf](#)

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METRO HOLDINGS LIMITED
UEN: 197301792W
(Incorporated in the Republic of Singapore)

**MINUTES OF FIFTIETH ANNUAL GENERAL MEETING HELD AT GRAND BALLROOM,
LEVEL 3 SINGAPORE MARRIOTT TANG PLAZA HOTEL, 320 ORCHARD ROAD
SINGAPORE 238865 ON THURSDAY, 20 JULY 2023 AT 3.00 P.M.**

- Directors present : Lt Gen (Retd) Winston Choo Wee Leong (Chairman)
Mr Gerald Ong Chong Keng
Mrs Fang Ai Lian
Mr Tan Soo Khoon
Ms Deborah Lee Siew Yin
Mr Yip Hoong Mun
Mr Ng Ee Peng
Mr Soong Hee Sang
Mr Ong Sek Hian (Wang ShiXian)
- In attendance : Ms Eve Chan Bee Leng
- Group Chief Financial Officer and Joint Company Secretary

Ms Tan Ching Chek
- Joint Company Secretary
- Auditor : Mr Lee Wei Hock
- Ernst & Young LLP
- Scrutineer : RHT Governance, Risk & Compliance (Singapore) Pte Ltd
- Shareholders and proxies present : As shown in the attendance list

It was noted that before the Annual General Meeting (“**AGM**” or “**Meeting**”) proceeded to business, the Company gave a video presentation on the businesses of the Group to the shareholders present at the meeting.

1.0 QUORUM AND CHAIRMAN

- 1.1 As a quorum was present, Lt Gen (Retd) Winston Choo presided as Chairman of the Meeting (the “**Chairman**”) and called the meeting to order at 3.10 p.m.

2.0 WELCOME

- 2.1 The Chairman welcomed the shareholders to the Meeting. The Chairman invited the Joint Company Secretary (the “**Company Secretary**”) to brief shareholders on the proceedings of the Meeting.

3.0 NOTICE

- 3.1 The Company Secretary informed the Meeting that the printed Notice of the AGM dated 28 June 2023, Proxy Form and Request Form had been sent to all shareholders. The Notice of AGM had also been advertised in the Business Times on 28 June 2023. The Notice of AGM, Proxy Form, Request Form, Annual Report and Letter to Shareholders

in relation to the proposed renewal of the share purchase mandate had been published on the SGXNet and on the Company's corporate website on 28 June 2023. Accordingly, the Notice of AGM convening the Meeting was taken as read.

4.0 SUBMISSION OF QUESTIONS

- 4.1 The Company Secretary informed the Meeting that the Board of Directors and Management have addressed all substantial and relevant questions received from shareholders prior to the AGM by publishing the responses to questions on the SGXNet and on the Company's corporate website on 14 July 2023.

5.0 APPOINTMENT OF CHAIRMAN OF MEETING AS PROXY AND POLL VOTING

- 5.1 The Company Secretary reminded that those persons who do not have valid proxies for the AGM were only observers at the Meeting and they were not allowed to vote on any resolutions or ask any question.
- 5.2 The Company Secretary said that the Chairman of the Meeting had been appointed as proxy by certain shareholders who had directed him to vote for or against certain resolutions put to the Meeting. As such, Chairman would vote in accordance with the wishes of these shareholders.
- 5.3 In order to achieve a transparent and clear result, and in accordance with Rule 730A(2) of SGX-ST Listing Rules and Article 64(A) of the Company's Constitution, the Company Secretary informed shareholders that all resolutions put to the Meeting would be voted by poll.
- 5.4 The Company Secretary said that the poll would be conducted using the electronic hand-held device provided by Boardroom Corporate & Advisory Services Pte. Ltd. A handset has been issued to shareholders at the point of registration.

6.0 APPOINTMENT OF SCRUTINEER AND VOTING PROCEDURES

- 6.1 The Company Secretary informed Meeting that RHT Governance, Risk & Compliance (Singapore) Pte. Ltd. ("**RHT**") had been appointed as the Scrutineer for the Electronic Poll Voting. The Company Secretary requested RHT to brief the Meeting on the electronic voting process. After the briefing by RHT, a video was played which explained the voting process. This was followed by a test run so that shareholders will have a better understanding of the electronic voting process.
- 6.2 The Company Secretary then informed shareholders that the resolutions of the Meeting had been put forward by the Board. The Chairman of the Meeting would propose each of the resolutions. Once each resolution had been proposed, the Meeting would be opened to the floor to shareholders for questions. Thereafter, shareholders would vote on the resolution using the handset. The result of the votes would be flashed on the screen. Shareholders were reminded that they should only raise questions or comments only after the resolution had been proposed. The Company Secretary requested the shareholders to limit to a reasonable number and length of questions and to matters that were relevant to the Meeting in due consideration of the interests of other shareholders who were present at the Meeting. The Company Secretary emphasised to the Meeting that questions would not be entertained during the 12 seconds allocated for voting on the resolution.

ORDINARY BUSINESS:

7.0 **RESOLUTION 1 - DIRECTORS' STATEMENT, AUDITOR'S REPORT AND AUDITED FINANCIAL STATEMENTS**

- 7.1 The Directors' Statement, Auditor's Report and Audited Financial Statements were taken as read with the consent of shareholders present. The Company Secretary said that the Board has nothing to add to the Chairman's Message in the Annual Report. The resolution on the Directors' Statement, Auditor's Report and Audited Financial Statements for the year ended 31 March 2023 was proposed by the Chairman. The Chairman invited the shareholders to raise questions relating to the Directors' Statement, Auditor's Report and Audited Financial Statements.

Shareholder 1 asked the following questions on the following areas:

- (i) The prospects of the property market in China given the macroeconomic headwinds.
- (ii) The plan(s) upon the expiry of the leases for the properties in China.
- (iii) The plan(s) for Metro City, Shanghai.

The responses of the Group Chief Executive Officer ("**Group CEO**") and Executive Director [Mr Yip Hoong Mun ("**Mr Yip**") were as follows:

- (i) Mr Yip said that he was happy to see the shareholders again after four years. The Board last met the shareholders in a physical format AGM in July 2019. These four years had been a difficult one.

Mr Yip said that China had undergone very strict Covid-19 lockdowns during the past three years. There was a complete lockdown in the city of Shanghai for a few months in 2022. Shanghai is a populous city and has an estimated population at 30 million which is more than five times of that of Singapore. The lockdowns had affected the demand for investments and consumption in China where things came to a standstill during that period. Although China has since opened its borders and lifted the travel restrictions, it would take some time for its economy to recover fully. Despite the difficult situation during the Covid-19 pandemic, the Group still managed to complete the asset enhancement works at The Atrium Mall, Chengdu and Shanghai Plaza, Shanghai (the "**Properties**"). Both Properties have achieved occupancy rates which are above 90%. While waiting for China's economy to return to its pre-pandemic level, it is important to remain patient. The real estate sector in China is facing strong headwinds. The Group will strive to operate the assets as best as we can despite the challenging environment.

- (ii) Mr Yip explained that in China, the ownership of the land belongs to the State. An individual or corporation which wants to own properties only has the land-use rights in China. For residential properties, the lease tenure is approximately 70 years. For commercial properties, the lease tenure is approximately 40 to 50 years. The renewal of the leases of properties are subject to the prevailing policies.
- (iii) Metro City Shanghai is a landmark property in both Xujiahui, Shanghai and within China. Metro City, Shanghai is under a different type of arrangement which is known as the Co-Operative Joint Venture ("**CJV**") in China. CJV is common between the Chinese and foreign parties who co-operate on the basis of a joint venture contract in the early years. Under this arrangement, the Chinese joint venture partner, which is the local authority, contributed the land while Metro, the other joint venture partner contributed the capital to build the building on the land during the duration of CJV. For

Metro City Shanghai, it started with a lease of 36-year term from 1993 and now has a remaining lease of 6 years. Contractually, Metro Group has to return the building to the local partner which is the local authority upon lease expiry. The Board is aware of the short remaining lease of this property and will continue to explore possibilities of extending the lease with our local partner. However, nothing has been firmed up yet.

Shareholder 2 asked the following questions and made the following comments:

- (i) The impairment loss of S\$36.3 million and the possibility to recover the said impairment loss.

He said that he had been monitoring the share price of Metro and commented on the lacklustre performance of Metro's share price. He noticed that there was hardly any trading after the full year financial results were announced to SGX-ST and there was also a decline in its share price recently.

The responses of the Group CEO and Executive Director were as follows:

- (i) Mr Yip informed the meeting that the impairment loss of S\$36.3 million was made in FY2022 and relates to Metro Group's investment in BentallGreenOak ("**BGO**"). Metro Group also co-invest with BGO which is a fund. This fund extended some financial debt instruments to certain property developers in China when property sector was buoyant then. Due to the frequent lockdowns in China for the past few years arising from Covid-19 pandemic, the value of certain underlying development properties had declined as compared to the initial stage of investment. Metro Group adopted a conservative approach and provided impairment for these investments. If the property market in China recovers and upon the sale of the properties, the amount that Metro Group had invested would be returned to us. If the sales are good, Metro Group could recover the amount invested and thus reverse the impairment accordingly.

Mr Yip said that the world has changed in the last few years. It changes not just because of the Covid-19 pandemic. A lot of factors including the geopolitical tension, interest rates hike and inflation also played a part. Most companies and not only Metro Group experienced difficulties during this period. Metro Group has diversified its property portfolios to other countries including Indonesia, Australia and United Kingdom over the years. With diversification, the Metro Group does not put all the eggs into one basket. Despite the challenging times during the past four years, the Group still managed to remain profitable and generate positive cashflows to pay dividends to the shareholders.

Shareholder 2 commented that despite the diversification of its portfolios, it did not translate into the Company's share price. The share price was traded at 61.5 cents per share based on his last check today. He asked when the Company last conducted a share buyback of its shares.

Mr Yip clarified that the focus of the Board and Management is to run the business well and deliver in terms of portfolios' performance. They do not manage the share price of the Company. In general, share price is affected by many factors such as performance, external factors and other considerations. The Company last did a share buyback of 550,000 shares at 67.5 cents per share in 2012.

Shareholder 3 thanked the Board and Management for conducting the fiftieth AGM in a wholly physical format. He commended Metro Group's successful transformation amidst the challenging environment and the ability to generate profits and positive cash flows to pay dividends to the shareholders.

Shareholder 3 asked the following questions:

- (i) He referred to page 40 of the Annual Report. He asked for the reason for the low occupancy rate at Bay Valley, Shanghai which was only at 65.7%. He also asked for the reason behind the move to renovate 5 Chancery Lane, London, which was at 100% occupancy rate. However, Management decided to renovate this property when its lease expired on 31 May 2023. The asset enhancement work of 5 Chancery Lane is expected to be completed by the end of 2025.
- (ii) Whether the Board/Management has considered countries like Vietnam and India which appeared to him to be some areas worth considering for diversification.
- (iii) The competitive advantage which Metro has in the new area of property management/property development.

The responses of the Group CEO and Executive Director were as follows:

Mr Yip thanked Shareholder 3 for his encouraging words. He informed the meeting that the Company is happy to be able to generate profits and positive cash flows and pay dividends to the shareholders.

- (i) Bay Valley consists of three office buildings situated in New Jiangwan City, which is in the Yangpu District of Shanghai. Bay Valley in Shanghai and their average occupancy rate was about 65.7% as at 31 March 2023 as compared with 69.2% for the year ended 31 March 2022.

The Shanghai government has the idea of creating Bay Valley to mirror the concept of Silicon Valley in United States of America. It was envisioned that this would be an area for tech companies and new startups where they could gather together at Bay Valley, to create sufficient economies of scale and to attract the startups to set up offices there. Bay Valley is also located next to the renowned Fudan University in Shanghai. The three office buildings were acquired in 2017. Metro Group's stake is 30% and the other 70% stake is held by the other business partner.

There was capital appreciation in these 3 office buildings until the Covid-19 pandemic came. A lot of things could not move in Shanghai then and the tech sector was affected globally too. As a result, the demand for office space declined. Bay Valley is a relatively new area and due to the Covid-19 pandemic, not many companies wanted to move into this area. As highlighted earlier, China is now facing a lot of headwinds, particularly the office sector in Shanghai. It was not only due to the Covid-19 pandemic but also due to the current geopolitical tension between China and other countries. A lot of multi-national companies have moved out of China where most of them were located in Shanghai. This has adversely affected the office's occupancy rates in Shanghai. This explained why the current situation in China is difficult. Given the current setbacks and difficult situations in China, there is a need to regain investment confidence and this will take time.

The freehold office property at 5 Chancery Lane, London is situated in a central and traditional office location in the heart of Midtown Central London. It was jointly acquired

by Metro and Lee Kim Tah Holdings Limited (“LKTHL”) in 2018. Metro Group’s stake is 50% and the other 50% stake is held by LKTHL. The sole tenant was one of the largest law firms in London and which had since moved out in May 2023. As this property was an old building which would eventually require some asset enhancement works, the intention was made known to the tenant from the beginning that it should move out upon expiry of the lease agreement in May 2023. If a building is old, particularly in London, it could not compete if it could not meet certain requirements. A building must meet certain requirements to get the Energy Performance Certificate (“EPC”). An EPC gives a property an energy efficiency rating from A (most efficient) to G (least efficient). If the joint venture company which owns this property were to take back this property and do nothing, it would not be able to lease it as this building could not meet the minimal requirements. The aim of the asset enhancement work is to achieve two things, firstly is to improve the energy efficiency rating of this property to “A” rating, and secondly to increase its leasable floor area. Planning approval has been obtained to increase the leasable floor area of this property by another 25% from 80,000 sqft to 100,000 sqft and with the additional leasable floor area, we could generate more rental income, thus this would mean higher returns for the shareholders in the future.

For these reasons, the building has to be closed for asset enhancement and the duration of the asset enhancement will take about two and a half years. The Covid-19 pandemic and Russia-Ukraine war came, despite cost of construction costs have gone up, there is no change to the plan for the asset enhancement of this building. Moreover, in view of these difficult times, it is unlikely that there is any new office supply in the market. Therefore, the joint venture partners decided to proceed with the asset enhancement exercise as planned even though it means a loss of annual rental income of £4 million during the downtime of 2.5 years. Once asset enhancement is done, the property would be able to compete effectively and generate higher returns.

- (ii) Mr Yip shared with the meeting that he had been to Vietnam and India and he even stayed in Vietnam previously. Vietnam has been called the China plus 1. This is because Vietnam and China shared similarities in terms of development and system. What we see in China ten years ago is now happening in Vietnam. Hanoi is like Beijing while Ho Chin Minh City is like Shanghai. The prices of properties in Vietnam have increased significantly over the years but recently the prices have come down. The market in Vietnam is a much smaller market as compared to China. This would mean that one would need to put in a lot of effort but the returns might be lesser in Vietnam as compared to China. It is also very difficult for foreign companies to invest alone in Vietnam. As such, Vietnam remains a country which the Metro Group might consider exploring but with a cautious approach.

India is probably the most democratic but also bureaucratic country in the world and it is so bureaucratic that rules and regulations of each city and province are different and this could pose a lot of challenges to manage.

- (iii) Mr Yip said that prior to investing in a potential project by the Group, the first important question that Management would consider is what would be the competitive advantage to Metro Group in respect of the potential project. This is the first question that Management would consider even though a potential project looks good.

Today, Metro Group has presence in five countries. The team consists of 30 staff excluding staff from Metro Retail (mainly finance, investment and asset management and administrative staff) which manages the investments/projects in these five countries. How does Metro Group manage all its investments/projects in these five

countries with 30 staff based in Singapore. The answer is with good business partner(s).

All the investments/projects that Metro Group have gone into are teamed up with joint venture partners. There is no single investment or project that the Metro Group has undertaken without any joint venture partner. Metro Group took this approach as it has proven well. This is because Metro Group knows that there is nothing better than having good local partners in the respective jurisdictions that can manage these investments/projects. Metro Group has partners in China, Indonesia, Australia and the United Kingdom. Due to the Covid-19 pandemic, Metro Group would not be able to visit our overseas projects. However, the operations of Metro Group continued. This is because Metro Group has partners in the respective jurisdictions to manage these investments/projects. Therefore, Metro Group's competitive advantage is to be able to work with like-minded partners who share the same interests as us. It is not easy to find good partners who can manage the investments/projects.

There are potential investments in new countries such as Vietnam and India. If there is a good potential investment, the first question that Management would consider is whether there is a good local partner in that new jurisdiction. If there is a good local partner or partners, good asset class and good potential, Management would consider this business opportunity.

Shareholder 3 agreed with Mr Yip on the importance of finding the right business partner. He asked further on the gearing ratio of the Group and the buying power of the Group.

In response to Shareholder's 3 question, Mr Yip said that the current current gearing ratio of the Group is 18% and Metro Group remains cautious with its cash conservation as cash is king especially during these difficult times.

Shareholder 4 asked the following question:

- (i) She referred to the investment in BGO and the impairment amount of S\$36 million. She asked for the amount invested by the Metro Group in BGO and the percentage of this impairment amount in respect of the total investment in BGO.

The response of the Group CEO and Executive Director was as follows:

- (i) Mr Yip said that the total amount invested by the Metro Group in the portfolio of BGO was US\$88 million (book value). The impairment amount of S\$36 million is only a provision. If the market turns around, Metro Group hopes to recover the amount.

Shareholder 5 asked the following questions:

- (i) He requested some information on the type of assets that BGO invested in, i.e. whether it is in mezzanine loans or in office or residential properties buildings, and whether these properties are located in 1st tier or 2nd tier cities.
- (ii) He said that the second question was in respect of the outlook of property market in China. With the current geopolitical tension and domestic economy, China is not recovering as quickly as expected, and with the headwinds as mentioned earlier, he asked Mr Yip's view on how long this would last. He also asked whether the property market in China would improve over the short to medium term or long term.

The responses of the Group CEO and Executive Director were as follows:

- (i) During pre-covid in China, there were property developers who required funding. BGO invested in the form of financial debt instruments which are interest bearing. The underlying assets were the residential properties. When these residential properties are sold, the sale proceeds would be used to pay the interest and repay the mezzanine loans. These residential properties are located in the 3rd tier cities.
- (ii) Mr Yip wished that he had a crystal ball to foretell the future. China is a big market which no one could ignore. Metro Group has the first mover advantage as it entered the market in 1988 due to the entrepreneurship of its founders. Without them in China during that time, Metro Group would not have such landmark buildings as China was not developed then. China has since grown tremendously over the past 20 years. A lot of things in China are policy driven and not just market driven. Based on news on China today, the central government of China will be introducing new policies to improve the economy. He personally felt that China's economy would recover but it would take time. However, how fast and how long China's economy would recover would depend on two factors. The first factor would be the domestic policies introduced by the central government and secondly, China could not live in isolation. With the current geopolitical situation and how it worked out with the West would affect the foreign investments into China which is essential. If the domestic policies get better and the external environment gets more optimistic, then China's economy is likely to recover faster.

7.2 There being no further questions from the shareholders, the Chairman requested the shareholders to cast their votes on the resolution.

7.3 The results for Resolution 1 were as follows:

	<u>Total Number of shares represented by votes for and against the Resolution</u>	For		Against	
		<u>Number of Shares</u>	<u>Percentage (%)</u>	<u>Number of Shares</u>	<u>Percentage (%)</u>
Resolution 1					
To adopt the Directors’ Statement, Auditor’s Report and Audited Financial Statements	454,267,888	454,231,488	99.99	36,400	0.01

7.4 The Chairman declared that the following resolution was carried:

"That the Directors' Statement, Auditor's Report and Audited Financial Statements for the year ended 31 March 2023, now submitted to this Meeting, be and are hereby received and adopted."

8.0 RESOLUTION 2 - FIRST AND FINAL TAX EXEMPT (ONE-TIER) DIVIDEND OF 2.0 CENTS

- 8.1 The resolution on the payment of the first and final tax exempt (one-tier) dividend of 2.0 cents per ordinary share was proposed by the Chairman.
- 8.2 The Chairman invited questions from the shareholders. There being no questions, the Chairman requested the shareholders to cast their votes on the resolution.
- 8.3 The results for Resolution 2 were as follows:

	<u>Total Number of shares represented by votes for and against the Resolution</u>	For		Against	
		<u>Number of Shares</u>	<u>Percentage (%)</u>	<u>Number of Shares</u>	<u>Percentage (%)</u>
Resolution 2					
To declare First and Final Dividend	457,259,346	456,977,446	99.94	281,900	0.06

- 8.4 The Chairman declared that the following resolution was carried:

"That the Company do hereby declare and approve the First and Final Tax exempt (one-tier) dividend of 2.0 cents per ordinary share for the year ended 31 March 2023."

9.0 RESOLUTION 3 - SPECIAL TAX EXEMPT (ONE-TIER) DIVIDEND OF 0.25 CENT

- 9.1 The resolution on the payment of the special tax exempt (one-tier) dividend of 0.25 cent per ordinary share was proposed by the Chairman.
- 9.2 The Chairman invited questions from the shareholders. There being no questions, the Chairman requested the shareholders to cast their votes on the resolution.
- 9.3 The results for Resolution 3 were as follows:

	<u>Total Number of shares represented by votes for and against the Resolution</u>	For		Against	
		<u>Number of Shares</u>	<u>Percentage (%)</u>	<u>Number of Shares</u>	<u>Percentage (%)</u>
Resolution 3					
To declare Special Dividend	457,130,746	456,850,746	99.94	280,000	0.06

9.4 The Chairman declared that the following resolution was carried:

“That the Company do hereby declare and approve the Special tax exempt (one-tier) dividend of 0.25 cent per ordinary share for the year ended 31 March 2023.”

9.5 The Company Secretary informed the Meeting that the first and final dividend and special dividend would be paid on 8 August 2023 to shareholders who are registered with the Company on 27 July 2023.

10.0 **RE-ELECTION OF DIRECTORS**

(I) **RESOLUTION 4 - RE-ELECTION OF MR GERALD ONG CHONG KENG UNDER ARTICLE 94 OF THE COMPANY’S CONSTITUTION.**

- a. The resolution on the re-election of Mr Gerald Ong Chong Keng as a director of the Company was proposed by the Chairman.
- b. The Chairman invited questions from the shareholders. There being no questions, the Chairman requested the shareholders to cast their votes on the resolution.
- c. The results for Resolution 4 were as follows:

	<u>Total Number of shares represented by votes for and against the Resolution</u>	<u>For</u>		<u>Against</u>	
		<u>Number of Shares</u>	<u>Percentage (%)</u>	<u>Number of Shares</u>	<u>Percentage (%)</u>
Resolution 4 To re-elect Mr Gerald Ong Chong Keng, a Director retiring under Article 94 of the Company’s Constitution	458,935,458	457,257,758	99.63	1,677,700	0.37

d. The Chairman declared that the following resolution was carried:

“That Mr Gerald Ong Chong Keng be and is hereby re-elected as a Director of the Company in accordance with Article 94 of the Company’s Constitution.”

(II) **RESOLUTION 5 - RE-ELECTION OF MR NG EE PENG UNDER ARTICLE 94 OF THE COMPANY’S CONSTITUTION**

- a. The resolution on the re-election of Mr Ng Ee Peng as a director of the Company was proposed by the Chairman.
- b. The Chairman invited questions from the shareholders. There being no questions, the Chairman requested the shareholders to cast their votes on the resolution.

c. The results for Resolution 5 were as follows:

	Total Number of shares represented by votes for and against the Resolution	For		Against	
		Number of Shares	Percentage (%)	Number of Shares	Percentage (%)
Resolution 5 To re-elect Mr Ng Ee Peng, a Director retiring under Article 94 of the Company's Constitution	457,230,949	457,105,149	99.97	125,800	0.03

d. The Chairman declared that the following resolution was carried:

"That Mr Ng Ee Peng be and is hereby re-elected as a Director of the Company in accordance with Article 94 of the Company's Constitution."

10.1 The Chairman referred to the announcement dated 28 June 2023. The said announcement had stated that Mrs Fang Ai Lian ("**Mrs Fang**") would not seek re-election and accordingly, she would retire from the Board upon conclusion of the AGM.

10.2 The Chairman informed the Meeting that the Board and Management of Metro Group would like to express their gratitude and appreciation to Mrs Fang for her invaluable contributions and guidance to the Board and the Metro Group for the past 15 years. Upon her retirement from the Board at the conclusion of this AGM, Mrs Fang will also step down as Chairman of the Audit Committee and a member of the Nominating Committee.

(III) RESOLUTION 6 - RE-ELECTION OF MR SOONG HEE SANG UNDER ARTICLE 100 OF THE COMPANY'S CONSTITUTION.

a. The resolution on the re-election of Mr Soong Hee Sang was proposed by the Chairman.

b. The Chairman invited questions from the shareholders. There being no questions, the Chairman requested the shareholders to cast their votes on the resolution.

c. The results for Resolution 6 were as follows:

	Total Number of shares represented by votes for and against the Resolution	For		Against	
		Number of Shares	Percentage (%)	Number of Shares	Percentage (%)
Resolution 6 To re-elect Mr Soong Hee Sang, a Director retiring under Article 100 of the Company's Constitution	457,369,809	457,097,009	99.94	272,800	0.06

d. The Chairman declared that the following resolution was carried:

"That Mr Soong Hee Sang be and is hereby re-elected as a Director of the Company in accordance with Article 100 of the Company's Constitution."

(IV) RESOLUTION 7 - RE-ELECTION OF MR ONG SEK HIAN (WANG SHIXIAN) UNDER ARTICLE 100 OF THE COMPANY'S CONSTITUTION

- The resolution on the re-election of Mr Ong Sek Hian (Wang ShiXian) was proposed by the Chairman.
- The Chairman invited questions from the shareholders. There being no questions, the Chairman requested the shareholders to cast their votes on the resolution.
- The results for Resolution 7 were as follows:

	Total Number of shares represented by votes for and against the Resolution	For		Against	
		Number of Shares	Percentage (%)	Number of Shares	Percentage (%)
Resolution 7 To re-elect Mr Ong Sek Hian (Wang ShiXian), a Director retiring under Article 100 of the Company's Constitution	457,281,649	457,239,249	99.99	42,400	0.01

d. The Chairman declared that the following resolution was carried:

“That Mr Ong Sek Hian (Wang ShiXian), be and is hereby re-elected as a Director of the Company in accordance with Article 100 of the Company’s Constitution.”

11.0 RESOLUTION 8 - DIRECTORS’ FEES

11.1 The resolution on the payment of directors’ fees was proposed by the Chairman.

11.2 The Chairman invited questions from the shareholders. There being no questions, the Chairman requested the shareholders to cast their votes on the resolution.

11.3 The results for Resolution 8 were as follows:

	<u>Total Number of shares represented by votes for and against the Resolution</u>	For		Against	
		<u>Number of Shares</u>	<u>Percentage (%)</u>	<u>Number of Shares</u>	<u>Percentage (%)</u>
Resolution 8					
To approve Directors’ Fees	457,299,749	456,586,673	99.84	713,076	0.16

11.4 The Chairman declared that the following resolution was carried:

“That the Directors’ fees of S\$1,095,800 be paid to the directors for the year ended 31 March 2023.”

12.0 RESOLUTION 9 - RE-APPOINTMENT OF AUDITOR AND FIXING THEIR REMUNERATION

12.1 The resolution on the re-appointment of Ernst & Young LLP was proposed by the Chairman.

12.2 The Chairman invited questions from the shareholders. There being no questions, the Chairman requested the shareholders to cast their votes on the resolution.

12.3 The results for Resolution 9 were as follows:

		For		Against	
	<u>Total Number of shares represented by votes for and against the Resolution</u>	<u>Number of Shares</u>	<u>Percentage (%)</u>	<u>Number of Shares</u>	<u>Percentage (%)</u>
Resolution 9 To re-appoint Ernst & Young LLP as Auditor and authorise the directors to fix its remuneration	457,260,549	457,148,973	99.98	111,576	0.02

12.4 The Chairman declared that the following resolution was carried:

“That Ernst & Young LLP be and are hereby re-appointed Auditor of the Company to hold office until the conclusion of the next Annual General Meeting at a remuneration to be agreed between the Directors and the Auditor.”

SPECIAL BUSINESS

13.0 RESOLUTION 10: TO APPROVE THE SHARE ISSUE MANDATE

13.1 The Company Secretary informed the Meeting that Resolution 10 was to seek shareholders' approval for a mandate authorising the Directors to issue new shares in the Company not exceeding, in aggregate, 50% of the total number of issued shares (excluding treasury shares and subsidiary holdings) of the Company with a sub-limit 20% for issues other than on a *pro rata* basis to shareholders.

13.2 The resolution on the Share Issue Mandate was proposed by the Chairman.

13.3 The Chairman invited questions from the shareholders. There being no questions, the Chairman requested the shareholders to cast their votes on the resolution.

13.4 The results for Resolution 10 were as follows:

		For		Against	
	<u>Total Number of shares represented by votes for and against the Resolution</u>	<u>Number of Shares</u>	<u>Percentage (%)</u>	<u>Number of Shares</u>	<u>Percentage (%)</u>
Resolution 10 To approve the Share Issue Mandate	457,786,449	443,753,189	96.93	14,033,260	3.07

13.5. The Chairman declared that the following resolution was carried:

“That authority be and is hereby given to the Directors of the Company to:

- (a) (i) issue shares of the Company (“**shares**”) whether by way of rights, bonus or otherwise; and/or
- (ii) make or grant offers, agreements or options (collectively, “**Instruments**”) that might or would require shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) warrants, debentures or other instruments convertible into shares,

at any time and upon such terms and conditions and for such purposes and to such persons as the Directors may in their absolute discretion deem fit; and

- (b) (notwithstanding the authority conferred by this Resolution may have ceased to be in force) issue shares in pursuance of any Instrument made or granted by the Directors while this Resolution was in force,

provided that:

- (1) the aggregate number of shares to be issued pursuant to this Resolution (including shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) does not exceed 50% of the total number of issued shares (excluding treasury shares and subsidiary holdings) (as calculated in accordance with sub-paragraph (2) below), of which the aggregate number of shares to be issued other than on a *pro rata* basis to shareholders of the Company (including shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) does not exceed 20% of the total number of issued shares (excluding treasury shares and subsidiary holdings) (as calculated in accordance with sub-paragraph (2) below);
- (2) (subject to such manner of calculation as may be prescribed by the Singapore Exchange Securities Trading Limited) for the purpose of determining the aggregate number of shares that may be issued under sub-paragraph (1) above, the total number of shares (excluding treasury shares and subsidiary holdings) shall be based on the total number of issued shares (excluding treasury shares and subsidiary holdings) at the time this Resolution is passed, after adjusting for:
 - (a) new shares arising from the conversion or exercise of any convertible securities or share options or vesting of share awards which were issued and are outstanding or subsisting at the time this Resolution is passed; and
 - (b) any subsequent bonus issue, consolidation or subdivision of shares,

and, in sub-paragraph (1) above and this sub-paragraph (2), “**subsidiary holdings**” has the meaning given to it in the Listing Manual of the Singapore Exchange Securities Trading Limited;

- (3) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the Listing Manual of the Singapore Exchange Securities Trading Limited for the time being in force (unless such compliance has been waived by the Singapore Exchange Securities Trading Limited) and the Constitution for the time being of the Company; and
- (4) (unless revoked or varied by the Company in general meeting) the authority conferred by this Resolution shall continue in force until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is the earlier.”

14.0 **RESOLUTION 11 - TO APPROVE THE RENEWAL OF SHARE PURCHASE MANDATE**

- 14.1 The Company Secretary informed the Meeting that the renewal of the share purchase mandate, if approved, will give the Company the flexibility to undertake purchases of its issued shares at any time, subject to market conditions, during the period that the Mandate is in force.
- 14.2 The Company Secretary also informed the Meeting that Mr Gerald Ong Chong Keng, Mr Ong Sek Hian (Wang ShiXian) and the Relevant Parties named on pages 17 and 18 of the Letter to Shareholders dated 28 June 2023 would abstain from voting on the Resolution relating to the renewal of the Share Purchase Mandate. Mr Gerald Ong Chong Keng, Mr Ong Sek Hian (Wang ShiXian) and the Relevant Parties who are individuals had not accepted any proxy appointment in respect of this Resolution.
- 14.3 The resolution on the Renewal of Share Purchase Mandate was proposed by the Chairman.
- 14.4 The Chairman invited questions from the shareholders.

Shareholder 1 asked the following question:

- (i) He asked Management to share on the cash management strategy going forward.

The response of the Group Chief Financial Officer (“**Group CFO**”) and Joint Company Secretary [Ms Eve Chan Bee Leng (“**Ms Eve Chan**”)] was as follows:

- (i) Ms Eve Chan said that cash management which is part of capital management is very important to the Group. Due to the rising interest rates in today’s environment, liquidity management is very important. The Metro Group undertakes very robust cash flow projections regularly in respect of the underlying investments and business operations. These are always being reviewed and monitored closely by taking into consideration the capital inflow and capital commitments, debts and debts costs, evaluating all excess cash that need to be earmarked for short-term, mid-term and long-term thereafter placement of excess cash into different tenor of fixed deposits accordingly. The Metro Group adopts a holistic and prudent capital management discipline in the current challenging environment.

Shareholder 2 asked the following question:

- (i) He asked whether the Company intended to carry out any share buyback to improve its share price after the renewal of the share purchase mandate had been approved by the shareholders at the AGM since the last share buyback was done 2012.

The response of the Group CFO and Joint Company Secretary was as follows:

- (i) Ms Eve Chan explained that real estate business is very capital intensive and cost of funding is expensive due to the current hike in interest rates. Metro Group needs to preserve cash as part of capital management approach to ensure that it could sustain in the current challenging business environment. If interest costs were to increase, we could use the cash to serve interest cover. If there is any factor which might trigger the Loan-to-Value of the Group, we would have to earmark the cash to cure them. This is a form of survival mode in the current geopolitical situation and volatile business environment. This is also a better way to make good use of the cash for the Metro Group in order to sustain and still be able to grow instead of using the cash for share buyback. She said that even with the 550,000 shares being bought back, it would not have a significant impact on the share price.

Ms Eve Chan added that it is generally an inverse relationship between interest rate and share price. When interest rate goes up, share price always move in the opposite direction.

Shareholder 2 commented that the Company should consider share buyback to reward the staff with the shares and motivate them to work harder.

14.5 There being no further questions from the shareholders, the Chairman requested the shareholders to cast their votes on the resolution.

14.6 The results for Resolution 11 were as follows:

	<u>Total Number of shares represented by votes for and against the Resolution</u>	For		Against	
		<u>Number of Shares</u>	<u>Percentage (%)</u>	<u>Number of Shares</u>	<u>Percentage (%)</u>
Resolution 11 To approve the Renewal of the Share Purchase Mandate	116,542,530	116,390,354	99.87	152,176	0.13

14.7 The Chairman declared that the following resolution was carried:

“That:

- (a) for the purposes of Sections 76C and 76E of the Companies Act, 1967 (the “**Companies Act**”), the exercise by the Directors of the Company of all the powers of the Company to purchase or otherwise acquire ordinary shares

of the Company ("**Shares**") not exceeding in aggregate the Maximum Limit (as hereafter defined), at such price or prices as may be determined by the Directors from time to time up to the Maximum Price (as hereafter defined), whether by way of:

- (i) market purchase(s) on the Singapore Exchange Securities Trading Limited ("**SGX-ST**") and/or any other stock exchange on which the Shares may for the time being be listed and quoted ("**Other Exchange**"); and/or
- (ii) off-market purchase(s) (if effected otherwise than on the SGX-ST or, as the case may be, Other Exchange) in accordance with any equal access scheme(s) as may be determined or formulated by the Directors as they consider fit, which scheme(s) shall satisfy all the conditions prescribed by the Companies Act,

and otherwise in accordance with all other laws and regulations and rules of the SGX-ST or, as the case may be, Other Exchange as may for the time being be applicable, be and is hereby authorised and approved generally and unconditionally (the "**Share Purchase Mandate**");

- (b) unless varied or revoked by the Company in general meeting, the authority conferred on the Directors of the Company pursuant to the Share Purchase Mandate may be exercised by the Directors at any time and from time to time during the period commencing from the date of the passing of this Resolution and expiring on the earliest of:

- (i) the date on which the next Annual General Meeting of the Company is held;
- (ii) the date by which the next Annual General Meeting of the Company is required by law to be held; and
- (iii) the date on which purchases or acquisitions of Shares pursuant to the Share Purchase Mandate are carried out to the full extent mandated;

- (c) in this Resolution:

"Average Closing Price" means the average of the closing market prices of the Shares over the last five market days on which the Shares were transacted on the SGX-ST or, as the case may be, Other Exchange, before the date of the market purchase by the Company, and deemed to be adjusted in accordance with the listing rules of the SGX-ST for any corporate action which occurs during the relevant five-day period and the date of the market purchase by the Company;

"date of the making of the offer" means the date on which the Company makes an offer for the purchase or acquisition of Shares from shareholders, stating therein the purchase price (which shall not be more than the Maximum Price) for each Share and the relevant terms of the equal access scheme for effecting the off-market purchase;

"Maximum Limit" means that number of Shares representing 10% of the total number of issued Shares as at the date of the passing of this Resolution (excluding treasury shares and subsidiary holdings (as defined in the Listing Manual of the SGX-ST));

“Maximum Price” in relation to a Share to be purchased or acquired, means the purchase price (excluding brokerage, commission, applicable goods and services tax and other related expenses) which shall not exceed:

- (i) in the case of a market purchase of a Share, 5% above the Average Closing Price; and
- (ii) in the case of an off-market purchase of a Share pursuant to an equal access scheme, the NTAV of a Share; and

“NTAV of a Share” means the net tangible asset value of a Share taken from the latest announced consolidated financial statements of the Company preceding the date of the making of the offer pursuant to the off-market purchase; and

- (d) the Directors of the Company and/or any of them be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) as they and/or he may consider expedient or necessary to give effect to the transactions contemplated and/or authorised by this Resolution.”

15.0 **END OF MEETING**

15.1 The Chairman for and on behalf of the Board thanked shareholders for their attendance. The Chairman also requested shareholders to return the handsets and smartcards to the Share Registrar when leaving the room. The Chairman invited shareholders to help themselves to the beverages.

15.2 The Fiftieth Annual General Meeting was declared closed at 4.06 p.m.

Confirmed as correct record:

Lt Gen (Retd) Winston Choo Wee Leong
Chairman of the Meeting